U.S. Army Materiel Command
Logistics Enterprise Integration

Funds Control

26 January 2004

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Purpose

To provide an update on the

ASAFM&C Funds Control initiative

Background

15 Oct 02 –GOWG for Single Stock Fund program Milestone 3 Implementation Army-wide

- **A number of financial issues were identified:**
  - **Complicated Obligation process**
  - **Cumbersome Reconciliation process**
  - **Lack of robust Fund Control tool**
- **ASA(FM&C) recognized the need to pursue solutions**

Progress to Date

- 30 Oct 02 – ASA(FM&C) decision to pursue Funds Control
- **13 Mar 03 – SecArmy approved Funds Control as an Army - Business Initiative Council (ABIC) initiative**
- **1 Jul 03 – ASA(FM&C) provided funding and effort began**
- 6 Aug 03 – Information Technology- IPR with MACOMS
- 13 Aug 03 – Business Rules Baselined
- 8-10 Sep 03 – Meeting with MACOM representatives
- 16 Oct 03 – Information Technology- IPR with MACOMS
- **1 Oct 03 – Delivered Draft Business Rules, Requirements, Process Flows, Schedule and Architecture to PD ASA(FM&C), Mr. Ernest Gregory**
- 14-15 Jan 04 – Information Technology- IPR with MACOMS
- 17 Nov 03 – Briefed Enterprise Integration Advisory Board
- 20 Nov 03 – Information Technology- IPR with MACOMS

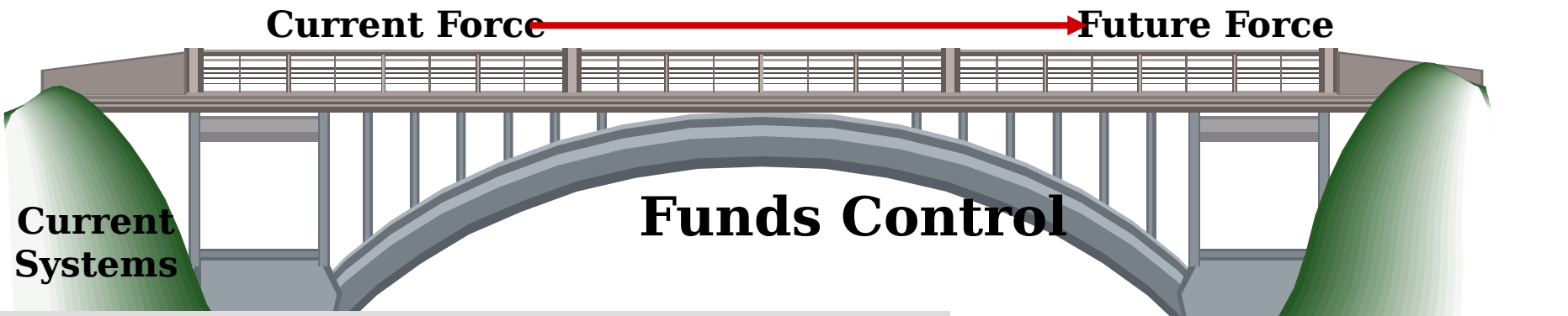
Objectives

- Eliminate one Army financial automated system
  - Simplify financial process for off-post customers
  - Eliminate manual intervention
- Obligate on the initial supply order (AO)
  - Obligate on first transaction entering SARSS system
  - Simplify and standardize process across the Army
- Establish an integrated Funds Control process
  - Check funds availability before processing transaction
  - Error corrections are CFO compliant
- Simplify supply-finance reconciliation
  - Eliminate one supply – financial reconciliation
  - Make reconciliation near real-time thus eliminates current down-time

Changes & Benefits

Objective	Benefits
Eliminates financial requirement for sterile SARSS boxes during deployment	Reduced soldier workload Reduced coordination requirements Quicker deployment times Faster establishment of in-theater supply support
Eliminates Installation Supply Buffer (ISB) across the Army	Savings/cost avoidance of $9M **Transactions pass near real-time** **Simplifies process for off-post customers**
Obligates on the initial supply order/request (A0)	**Simplifies obligation process** **Standardizes across Army** Suspends transaction if no funds Allows obligation matching in Operational Data Store (ODS)
Establishes a robust customer Funds Control process	**Incorporates credits & cancellations** **Allows Log & RMs to view same data** Control funds at multiple levels **Error transactions are CFO compliant**
Simplifies customer level supply-finance reconciliation process	**Eliminates two monthly recons** **Eliminates need for down-time** Passes ODS/STANFINS data to Middleware- Funds Control Module (MW-FCM) Standardizes process across Army

Bridge to the Future



EASIER TO IMPLEMENT INTEGRATED

- Eliminates financial need for sterile SARSS boxes
- Eliminates 36+ DFAS ISB databases
- Sets stage for Integrated Enterprise
- Simplifies obligation process
- Simplifies logistical-financial transaction process
- Standardizes processes across Army
- Provides common view of data for Log and RM
- Eliminates unique MACOM work-arounds
- Provides near real-time information
- Moves current STAMIS closer to CFO compliance
- Significantly increases capabilities

ENHANCED AUDITABILITY

- Eliminates manual manipulation of data
- Establishes automated method for making corrections
- Provides an audit trail for all transactions
- Simplifies reconciliation process
- Faster, more reliable process
- Sets stage to link Budget and

Integrated Schedule

- SIT -- 4 months (two 6 wks cycles)
- LVST -- 5 months (2 phases)
  - 1 CTASC – Apr 05
  - ARNG/CONUS CTASC – Jul 05
- Army-wide fielding -- remaining 10 CTASCs in groups of 3-4

Software Integration Test (SIT) October 2004

Lead Verification Site Test (LVST) April 2005

Army-wide Fielding
(~ 1 November 2005)

November 2005 – April 2006

Train and Field
- Develop Sequence of Events
- Conduct training and fielding
- Document process

January 2004 – February 2005

System Modification and Testing
- Make program changes by system
- Conduct SIT & LVST
- Conduct metrics test & evaluation

We are here

November – March 2004

Business Process Reengineering
- Develop new supply-finance interface/reconciliation
- Develop conversion procedures
- Develop software requirements & ECPs
- Conduct SITWG/Build SIT Test Ca

July – December 2003

Requirements Determination
- Develop requirements & process flows
- Develop Business Rules
- Develop alternatives & cost estimates

Benefits of integrating FC/EP schedule:
- Lowers total costs
- Packages development effort
- Less impact on soldiers

Concern

Concern:

Impact of LMP stability on integrated fielding schedule

- Cost
- Schedule

Risk Mitigation:

Develop Assessment/Decision Criteria

Determine last possible cutover point and cost imp

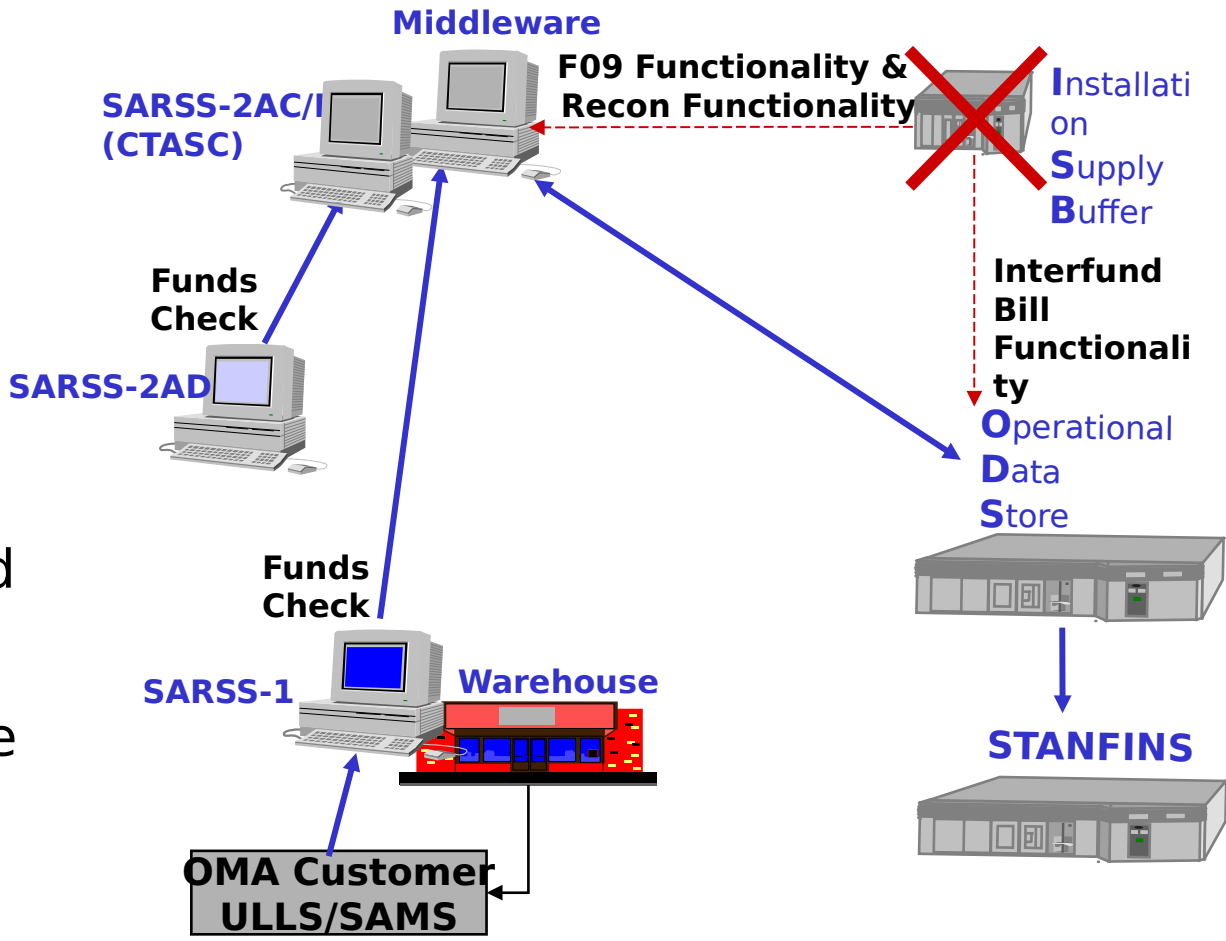
Bottom-line: Program plan and funding are on schedule. Execution being monitored.

BACKUP

Funds Control Concept

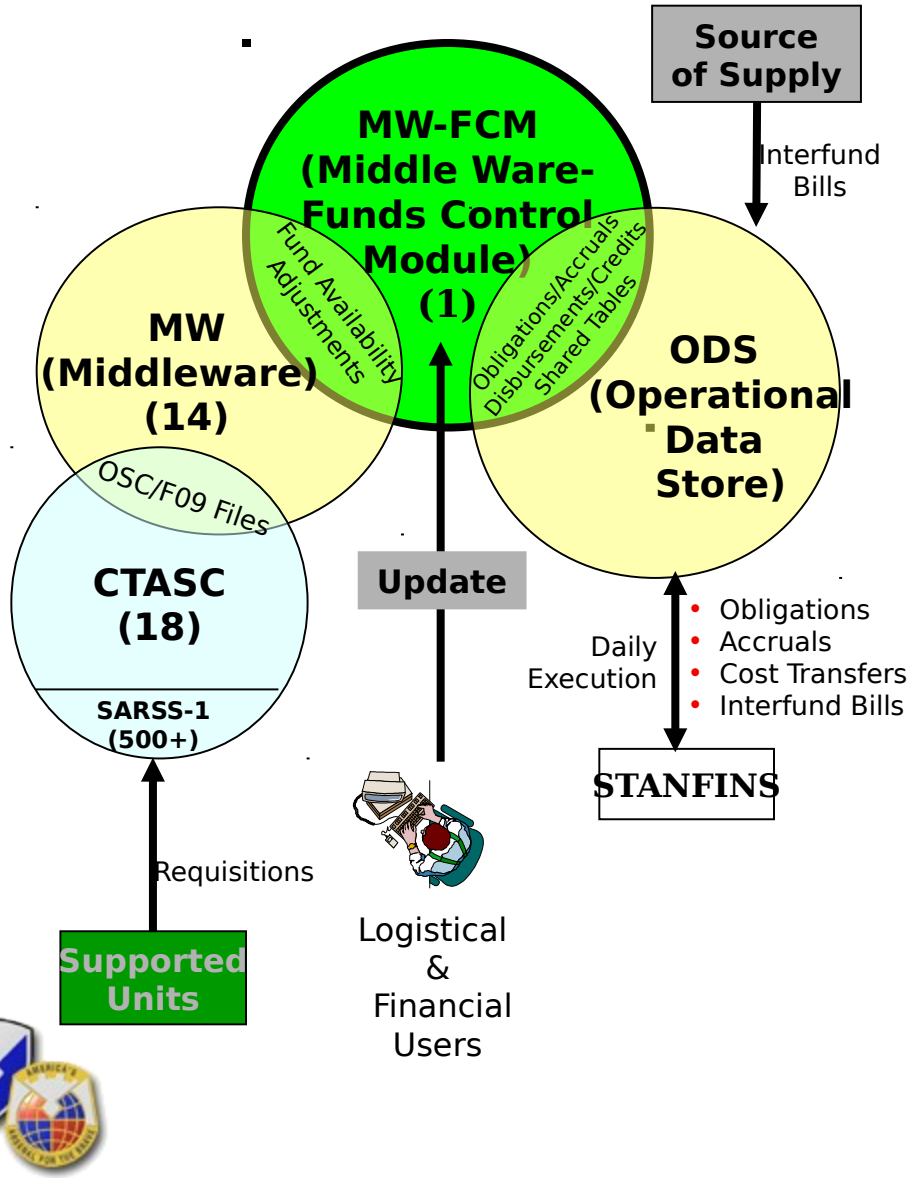
Objectives

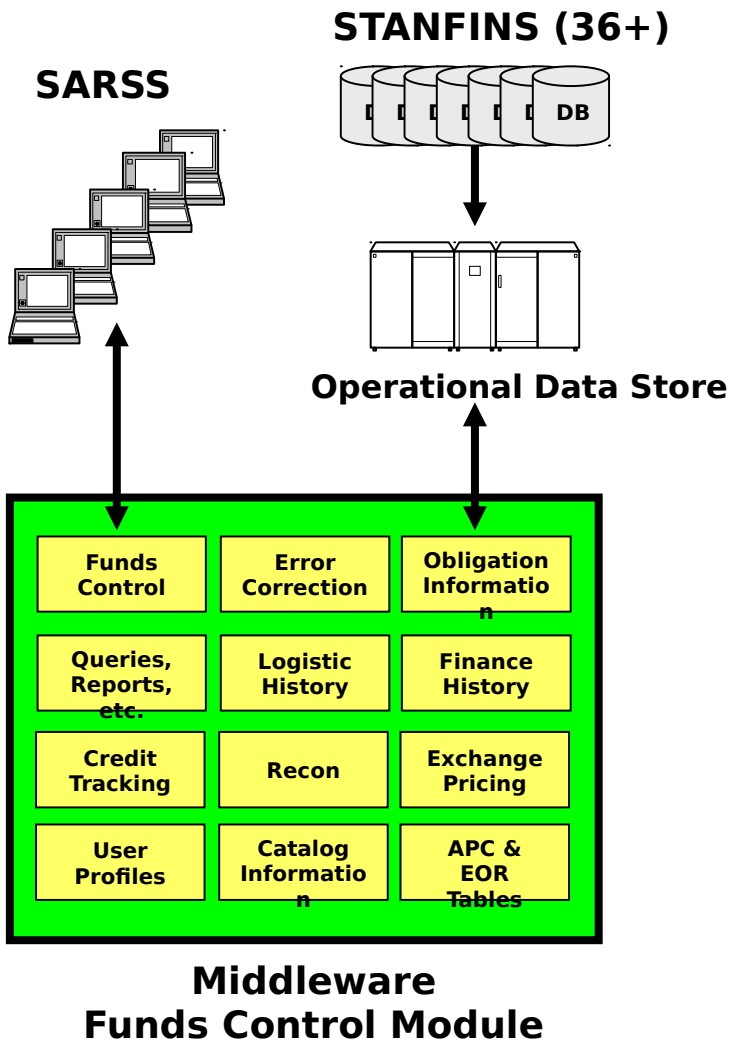
- Eliminate Installation Supply Buffer (ISB)
- Obligate on the initial supply order (AO)
- Establish an integrated Funds Control process
- Simplify supply-finance reconciliation



- ✓ **No impact on national level systems**
- ✓ **Checks funds availability before processing transaction**
- ✓ **Automated notification to RM when nearing funds target**

Funds Control Vision





Integrated Logistics Enterprise = Common Operating Picture

IT Architecture

- **Web-enabled**
- **Bridges to Integrated Enterprise**
- **Uses current technology & low risk**
- **Easily upgraded hardware**
- **Single view for Log & RM customers**